

fact, the budget resolution we adopted and the reconciliation instructions it includes will not only reduce the deficit, it will balance the budget. Even if an effort was made to use reconciliation solely to increase the deficit, the budget rules would have prohibited it.

The budget act grants special status in the Senate to reconciliation legislation and any effort to abuse this process represents an abuse of the Senate. While I do not think we have abused reconciliation, I was troubled by the minority leader's point of order and I want to review with the Senate what has occurred since the minority leader made his point of order and inquiries of the Chair. I think this is particularly important as we proceed with reconciliation legislation.

The minority leader's chief concern was that reconciliation should not be used to increase the deficit. The Senate-reported budget resolution included three sets of reconciliation instructions to generate three individual reconciliation bills. The first bill would reduce outlays by \$124.8 billion and the second by \$214.8 billion. The two bills combined would reduce the deficit by \$339.6 billion. If, and only if, these two bills were enacted, then a third reconciliation instruction would be triggered to reduce revenues by not more than \$116.1 billion. In addition, under the Senate's pay-as-you-go point of order legislation cannot cause an increase in the deficit unless it is offset by previously enacted legislation. Even under the Senate-reported resolution, reconciliation could not increase the deficit. In fact, reconciliation had to result in an overall reduction in the deficit.

Mr. President, the minority leader's concern focused on the third instruction in the resolution that called for a reconciliation bill that would reduce revenues by not more than \$116.1 billion and would reduce outlays by \$11.5 billion. The minority leader was correct that third reconciliation bill viewed alone would increase the deficit; however, we would never have gotten to that third bill without first having done the first two bills.

In conference, we modified the reconciliation instructions to permit a reduction in revenues in the first instruction. Since the outlay reductions in this first instruction exceeded the revenue reduction, this first bill could not increase the deficit. Therefore, reconciliation could not be used in this first bill to increase the deficit. The resolution also provides a revenue reduction instruction for the third reconciliation bill if the revenue reductions are not included in the first bill.

As the minority leader pointed out during consideration of the budget resolution, under one of the Byrd rule points of order—section 313(b)(1)(E) of the Budget Act—a provision of a reconciliation bill is subject to the Byrd rule if it would cause an increase in the deficit in a year after the period covered by the reconciliation instructions

and it is not offset by other provisions in the bill. In addition, the pay-as-you-go point of order prohibits consideration of legislation that would increase the deficit unless it was offset by the enactment of other legislation that reduced the deficit. The Parliamentarian made it clear to us that the budget resolution could not and the fiscal year 1997 budget resolution does not include provisions to exempt reconciliation from any Senate rule, the Byrd rule, budget act rules, or even the pay-as-you-go rule.

While this first instruction called for a reduction in revenues, both the House of Representatives and the Senate have chosen not to include revenue reductions in their first reconciliation bills. While the Senate did agree to an amendment that would cause a reduction in revenues from an adoption tax credit, this amendment was only adopted after the Senate voted 78 to 21 to waive a budget act point of order against this amendment.

This first reconciliation bill will reduce spending and the deficit by over \$50 billion. We have spend almost a week on this legislation and considered over 50 amendments. In addition, the minority has exercised its rights under the Byrd rule and the presiding officer has sustained points of order against 23 provisions in the bill.

Mr. President, the resolution calls for two more reconciliation bills. I do not know if we will complete action on these two subsequent reconciliation bills. If we do, these subsequent bills must comply with the Byrd rule, budget act guidelines, and the pay-as-you-go point of order. Therefore, our resolution never allowed and Senate rules would not have permitted using reconciliation to increase the deficit.

ABANDONING OUR CHILDREN

Mr. LAUTENBERG. Mr. President, this is a historic and unfortunate time for the U.S. Senate. This body is on the verge of ending a 60 year guarantee that poor children in this country would not starve.

For 60 years, we could rest easier at night knowing children across the country had a minimal safety net. The bill before us will take away this peace of mind and throw up to 1.5 million children into poverty.

Mr. President, I agree that the welfare system is in need of repair. I believe that it needs to help promote work and self sufficiency. I think it should also protect children. Unfortunately, the Republican welfare bill does none of this.

First, the Republican bill does not promote work. The bill calls for work requirements for welfare recipients, but it does not provide the resources to put people to work. In fact, the CBO said that "Most states would be unlikely to satisfy this [work] requirement for several reasons."

One major reason is that this bill cuts funding for work programs by combining all welfare programs into a capped block grant.

Second, the Republican bill hurts children. It would make deep cuts in the Food Stamp Program which millions of children rely on for their nutritional needs. It would also end the guarantee that children will always have a safety net.

Under the Republican bill, a State could adopt a 60-day time limit and after that the children would be cut off from the safety net entirely. The State would not even be required to provide a child with a voucher for food, clothing, or medical care.

When you take all of these policies together, this bill will throw approximately 1.5 million children into poverty.

And this is a conservative estimate. It could be much higher.

Mr. President, my conscience will not let me vote for a bill that would plunge children into poverty. I cannot vote to leave our children unprotected. I was 1 of only 11 Democrats to vote against the original Senate welfare bill that would have put 1.2 million children into poverty.

I voted against the conference report on this bill that would have doomed 1.5 million children to the same fate. And I will vote against this bill for the same reason. We must not abandon our children.

Mr. President, I hold a different vision of what the safety net in this country should be. I am afraid that this bill will leave children hungry and homeless.

I am afraid that the streets of our Nation's cities might some day look like the streets of the cities of Brazil. If you walk around Brazilian cities, you will see hungry children begging for money, begging for food, and even engaging in prostitution. I am not talking about 18 year olds, I am talking about 9 year olds.

Tragically, this is what happens to societies that abandon their children.

When we don't protect our children, they will resort to anything to survive. I don't want to see this happen in our country.

I want to see this country invest in its children. I think we should invest more in child care, health and nutrition so that our children can become independent, productive citizens. I want to give them the opportunity to live the American dream like I had to good fortune to do.

If we don't, we will create a permanent underclass in this country. We will have millions of children with no protection. We will doom them to poverty and failure.

Mr. President, as a member of the Budget Committee, I also want to comment on the priorities that are reflected in this reconciliation bill. Despite the fact that this bill is only limited to safety net programs, it is still considered a reconciliation bill. This bill receives the same protections as a budget balancing bill but there is no balanced budget in it.

This reconciliation bill seeks to cut the deficit only by attacking safety net